

**IN THE UNITED STATES DISTRICT COURT
OF THE WESTERN DISTRICT OF MISSOURI
AT KANSAS CITY**

WOLF TECHNOLOGIES, INC., et al.,)	
)	
Plaintiffs,)	
)	Case No. 5:16-cv-06110-FJG
v.)	
)	
MORGAN CONSULTING GROUP, INC., et al.,)	
)	
Defendants.)	

STIPULATION OF FACTS

Pursuant to this Court's March 22, 2018 Trial Order (Doc. 135), plaintiffs Wolf Technologies, Inc. and Tricia Tamkin and defendants Morgan Consulting Group, Inc. and Peter Leffkowitz set forth the following stipulation of uncontroverted facts:

Parties

1. Wolf Technologies, Inc. ("Wolftec") is a corporation organized and existing under laws of the State of Illinois and with its principal place of business in Carol Stream, Illinois.
2. At all relevant times, Tricia Tamkin ("Tamkin") was and is the President of Wolftec.
3. Morgan Consulting Group, Inc. ("MCG") is a corporation organized and existing under the laws of the State of Missouri with its principal place of business in Platte City, Missouri.
4. At all relevant times, Peter Leffkowitz ("Leffkowitz") was and is the President and CEO of MCG (collectively, Leffkowitz and MCG will be referred to as ("Morgan")).

Jurisdiction & Venue

5. Personal jurisdiction and venue are appropriate in this court.

Relationship of the Parties

6. On or about December 6, 2009, Tamkin and Leffkowitz entered into the LLC Member Control Agreement for Morgan Interactive, LLC (“Morgan Interactive Agreement”).

7. The recruiter training application Tamkin and Leffkowitz first worked on has been known by several names, including Morgan Interactive, Morgan Mentor, Recruiter Sidekick, and Recruiter Playbook.

8. MCG currently calls the concept Recruiter’s Playbook.

Joint Venture

9. Between July 25, 2011 and May of 2012, Leffkowitz and Tamkin put on a total of 14 classes and webinars, marketed under the MCG brand and including the term “eSSentials.”

10. If both Leffkowitz and Tamkin taught in the training sessions between July 25, 2011 and May of 2012, the net profits would be split 50/50. If Tamkin did the training without Leffkowitz, the net profit would be split 55/45, in favor of Wolftec.

11. On June 11, 2012, Tamkin and Leffkowitz, through their respective corporate entities, Wolftec and MCG, entered into a written Joint Venture Agreement (“JVA”).

12. The parties’ joint venture was known as the eSSentials Program, and was marketed and taught under the MCG brand name.

13. Wolftec owned 70% of the business under the JVA.

14. MCG owned 30% of the business under the JVA.

15. Section 2.6 of the JVA was titled “Deadlock Resolution” and provided the parties with a means of terminating the joint venture upon a party’s determination that “the further harmonious management and operation” of the venture is “impracticable and deadlocked.”

16. The party desiring initiation of the Deadlock Resolution was required to provide the other party with an Offer Notice identifying the value of the eSSentials Program and triggering the other party’s duty to either accept the offer or purchase the initiating party’s interest in the venture.

17. On January 6, 2015, on behalf of Wolftec, Tamkin served Leffkowitz with an Offer Notice, initiating the Deadlock Resolution and setting the value of the eSSentials Program at \$240,000.00.

18. Pursuant to the deadlock provision, MCG was given the option to (a) buy Wolftec’s 70% interest in the eSSentials Program, or (b) sell MCG’s 30% interest in the eSSentials Program to Wolftec.

Asset Purchase Agreement

19. On June 5, 2015, the parties entered into an Asset Purchase Agreement (“APA”).

20. As part of the APA, Wolftec and Tamkin purchased MCG’s and Leffkowitz’s 30% interest in the joint venture for \$48,000, to be paid in an initial payment of \$9,600.00 and subsequent monthly installments of \$1,600.00 for the following 24 months.

21. The Closing Date of the transaction contemplated by the APA was on June 5, 2015.

22. The purchase of assets of the joint venture contemplated under the APA was made retroactive to May 6, 2015.

The Complaint

23. Wolftec and Tamkin filed suit against Morgan on August 25, 2016, alleging two causes of action—breach of contract and fraudulent inducement.

Respectfully Submitted,

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